AMENDED IN SENATE MAY 5, 2004 AMENDED IN SENATE APRIL 14, 2004

SENATE BILL

No. 1703

Introduced by Senator Alarcon

February 20, 2004

An act to add Division 32 (commencing with Section 60000) to the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1703, as amended, Alarcon. California certified green business *program*.

Existing law establishes various programs to reduce waste and protect the environment.

This bill would establish a voluntary California certified green business program to certify businesses that engage in environmentally beneficial operations, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Division 32 (commencing with Section 60000)
- 2 is added to the Public Resources Code, to read:

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DIVISION 32. CALIFORNIA CERTIFIED GREEN BUSINESS PROGRAM

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CHAPTER 1. LEGISLATIVE FINDINGS AND DECLARATIONS

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- 60000. (a) The Legislature finds and declares all of the following:
- (1) In 1996, the Association of Bay Area Governments, in partnership with the United States Environmental Protection Agency, California Environmental Protection Agency, California State University, Hayward's Environmental Finance Center, and bay area counties, cities, regional agencies, utilities, and other stakeholders, created the Bay Area Green Business Program, a voluntary alliance among businesses, government agencies, utilities, and the public, that assists businesses in reducing harmful impacts to the environment and public health and in selecting practices that improve environmental protection. The program improves regulatory compliance, reduces solid waste, prevents pollution, and conserves resources. From inception to 2004, over 350 businesses in 20 different industry sectors have been certified as "green businesses," and in 2002, the program was honored with a Governor's Environmental and Economic Leadership Award. Since inception, the United States Environmental Protection Agency and the California Environmental Protection Agency have allotted grants to the Bay Area Green Business Program and individual counties, in excess of three hundred thousand dollars (\$300,000), and the United States Environmental Protection Agency has funded other statewide programs within the western region of the United States, and in some individual cases, has funded in excess of one hundred thousand dollars (\$100,000).
- (2) The Bay Area Green Business Program has been successfully implemented in six bay area counties, and four additional California counties are launching green business programs based on the Bay Area Green Business Program model. The green business program has helped participating businesses make choices that protect the environment, by giving them specific alternatives and direction in order to make their businesses more sustainable, and has created greater environmental awareness throughout the bay area. As a result, the environment

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suffers less damage, water and energy have been conserved, and solid waste and wastewater have been reduced.

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- (3) Participating businesses have received assistance and guidelines for environmental regulatory compliance, public recognition, access to comprehensive environmental performance information, access to streamlined processes, cost savings associated with reduced use of hazardous substances, and *use of* more efficient technologies, and facilitated communications with regulatory agencies. The businesses have improved employee health and safety and access to the latest hazardous and solid waste reduction technology and practices, and have a better reputation with *the* public.
- (4) Regulatory agencies have reported improved compliance, better working relationships with businesses, reduced costs, and improved efficiency in inspections through cross-training and other information sharing, coordination with other regulatory agencies, and a better relationship with the public.
- (b) The Legislature further finds and declares all of the following:
- (1) It is in the best interest of the state to encourage practices that protect and preserve the environment and the state's natural resources, and to recognize those businesses that adopt environmentally sustainable business practices. A California certified green business, as defined in Section 60010, adds great value to the state and minimizes costs to the state, by using exemplary practices that protect the environment and preserve natural resources, thereby decreasing state the state's need for future cleanup and other regulatory expenses. It is therefore in the best interest of the state to decrease public costs by encouraging businesses to become environmentally responsible through the green business program, as described in this division. Furthermore, the Legislature hereby declares that a consistent statewide program and consistent statewide standards are necessary in order to use government resources efficiently and avoid confusion.
- (2) The California certified green business program is an optional local program designed to facilitate more efficient and constructive relationships among public agencies and between businesses and the agencies that regulate and serve them. By fostering collaboration among governmental agencies, the

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program helps to improve and streamline the regulatory process and offers opportunities to leverage and reinforce partner agencies' business outreach. The program makes it easier for businesses to turn good intentions into actions that improve the environment and also benefit public health, worker health and safety, and the bottom line.

Chapter 2. Definitions

- 60010. For purposes of this division, the following definitions apply:
- (a) "California certified green business" means a business that has been certified by a California city or county, that has complied with Section 60020, as having complied with the environmental criteria set forth in Section 60028, and that has undergone onsite audits by the responsible governmental agencies, their designated agent, or utilities.
- (b) "Responsible agencies" includes those governmental agencies responsible for monitoring compliance related to hazardous and toxic materials, stormwater runoff, air and water pollution, and wastewater, and those agencies monitoring energy and water use, and solid waste disposal.

CHAPTER 3. CALIFORNIA CERTIFIED GREEN BUSINESS PROGRAM

- 60020. (a) As the green business program was conceived and implemented by the Association of Bay Area Governments and the California State University, Hayward's Environmental Finance Center, which continue to coordinate the program among implementing counties and cities, a county or city may institute a
- 60020. A county or city may institute a California certified green business program by first notifying the Association of Bay Area Governments or California State University, Hayward's Environmental Finance Center, of its intentions, designating a Green Business Coordinator green business coordinator, and implementing the program by in accordance with the guidelines set forth in this division.
- (b) (1) Until January 1, 2007, California State University, Hayward's Environmental Finance Center, shall continue to pursue federal funding from the United States Environmental

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Protection Agency to continue coordinating the program and, along with the Association of Bay Area Governments, to ensure consistency in standards and program implementation.

- (2) On January 1, 2006, and on January 1, 2007, the California State University, Hayward's Environmental Finance Center, shall report its program implementation results to the Legislature. At that time, the Legislature may evaluate the program to determine possible changes to the program.
- 60021. A county or city that institutes a California certified green business program may place limitations on the size of the program, or pertaining to the types of businesses or sizes of businesses that it may certify, according to its capacity. It may choose to scale its program to work with small to medium-sized green business program may limit the scale or type of businesses that it may certify in order to better assist small to medium sized consumer-oriented businesses that typically do not have onsite environmental staff.
- 60022. A business that wishes to become a California certified green business may contact the local program coordinator in an established California certified green business program and receive comprehensive information and technical assistance to help it comply with all applicable environmental regulations and adopt the prescribed number of measures to prevent pollution, conserve energy and water, and minimize waste. After responsible agencies verify through onsite audits that all standards have been met according to this section, the county or city may certify the business as a California certified green business.
- 60023. The certifying county or city may publish the list or directory of California certified green businesses, hold awards ceremonies for the businesses, and develop any other means with which to recognize California certified green businesses and alert the public of the special status or distinction. If a certified *green* business falls out of is not in compliance with the standards after certification, a certifying county or city may alert the business and may revoke the green business certification, according to its revocation policy adopted at the time of the California certified green business program implementation.
- 60024. (a) California green business certification is site specific. A business shall demonstrate through onsite audits that it has met the California certified green business standards at the

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audited site, to be certified as meeting the California certified green business standards. If the business is part of a chain or shall be demonstrated through an onsite audit that the business has met the California certified green business standards at the audited site. If the business is part of a chain or franchise, any location interested in certification may apply and those sites that individually meet the California certified green business standards may be certified.

- (b) Certification only applies to those businesses that have successfully satisfied the California certified green business program standards, which address the operations of a business at the certified premises. The California certified green business program does not certify manufactured products, professional qualifications, or quality of service.
- (c) Certification may not exceed a period of three years. Local agencies may choose to inspect businesses more frequently than every three years.
- (d) If a previously certified business fails to comply with the California certified green business program standards required for certification, a local agency may revoke certification and remove any or all accolades from the premises of the business.
- (e) A business that manufactures toxic or hazardous materials or a business that produces or uses substantial quantities of hazardous waste or toxic materials is not eligible to be certified as a California certified green business.
- 60025. In order to qualify as a California certified green business, a business shall, at minimum, satisfy all of the following:
- (a) Agree to the California certified green business pledge as specified in Section 60027 and post the pledge in a visible location.
- (b) Be in full compliance with all applicable federal, state, and local environmental regulations. Compliance at a business may be verified by each agency with jurisdiction over its particular operations. Agencies with jurisdiction may include those regulating wastewater and stormwater discharges, air emissions, and hazardous materials. If a facility has been inspected by an agency within the past year and found to be in compliance, and if the agency does not believe the business needs further inspection, the business may be certified without additional inspection or audit and hazardous materials. It is recommended, however, that at least

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one local environmental agency with jurisdiction verify compliance onsite when a business volunteers for the program.

- (e) Implement the specified number as set forth in Section 60028, or in the appropriate industry-specific checklist, of "beyond compliance" measures in the areas of energy and water conservation, solid waste reduction and recycling, and pollution prevention, as set forth in Section 60028, in the California certified green business program beyond compliance general standards checklist or in the appropriate industry specific standards checklist specified in Section 60026.
- (c) Implement the specific checklist posted pursuant to Section 60026.
- 60026. (a) Industry specific cheeklists have been developed for retail businesses, auto repair shops, printing operations, restaurants, hotels, offices, wineries, and landscaping companies and should be used when applicable. Cheeklists pertaining to a particular industry may be developed.
- (b) The state is interested in maintaining consistency in the California certified green business program for efficient use of government programs, and authorizes and encourages local programs to share resources and information.
- 60026. California State University, Hayward's Environmental Finance Center, shall prescribe and modify the general standards checklist and industry-specific standards biennially in order to establish the beyond compliance general standards checklist required by Section 60028, and shall post that specific checklist on its Web site. The center shall consult guidelines contained on Web sites maintained by the California Integrated Waste Management Board and the Department of toxic Substances Control to ensure that general and industry-specific standards are consistent with best management practices and current regulatory standards as well as new technologies and alternatives to hazardous materials.
- 60027. A California certified green business shall do all of the following:
- 36 (a) Monitor, record, and post rates of water and energy usage and solid and hazardous waste generation.
- 38 (b) Provide three ongoing incentives or training opportunities to encourage management and employee participation.

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(c) Inform customers about its business' efforts to meet the green business standards.

- (d) Assist at least one other business in learning about the green business program and encourage it to enroll.
- (e) Adopt the California certified green business pledge, as 6 follows:
 - "Our company commits to protecting the environment by adopting this green business pledge. We believe a successful business is dependent on a healthy environment. We are actively working to show our environmental responsibility to our community by committing to the following objectives:
 - "(a) To comply with all applicable regulations and strive to exceed compliance.
 - "(b) To conserve energy, water, materials, and other resources.
- "(c) To develop and implement practices that prevent pollution 16 and waste.
 - "(d) To be an environmentally responsible business within our community."
 - 60028. The beyond compliance general standards checklist includes, but is not limited to, all of the following:
 - (a) Solid waste reduction and recycling, pursuant to the following:
 - (1) Reduce paper use as follows:
 - (A) Make two-sided printing and copying standard practice in the business.
 - (B) Eliminate unnecessary reports or reduce report size or frequency.
 - (C) Use continuous-circulation envelopes within the business.
 - (2) Reduce waste as follows:
- 30 (A) Work with vendors to minimize product packaging.
 - (B) Specify deliveries in returnable containers.
- (C) Buy products in bulk, concentrated, durable, repairable, or 32 33 recyclable.
 - (3) Recycle or reuse materials as follows:
 - (A) Set up an ongoing system to recycle.
- (B) Make it easy for employees to recycle by placing clearly 36 marked collection bins in convenient locations. 37
- (C) Purchase recycled content products to conserve resources 38 and to support the recycling market. 39
 - (b) Energy conservation, pursuant to the following:

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- 1 (1) Select equipment with energy saving features.
- 2 (2) Have the energy provider conduct a free audit, and review 3 it annually.
 - (3) Perform regular maintenance on the HVAC system.
- 5 (4) Insulate pipes and hot water heaters.
 - (5) Install T-8 or T-5 lamps.

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- 7 (6) Install occupancy sensors.
- (7) Apply window film to reduce solar heat gain. 8
 - (c) Water conservation standards, pursuant to the following:
- 10 (1) Have the water company conduct a free water use survey of 11 the facility.
 - (2) Learn how to read the water meter.
- 13 (3) Regularly check for and repair all leaks in the facility.
 - (4) Use "dry sweeping" or water efficient "spray brooms."
- (5) Indoors, use dry floor cleaning methods. 15
- (d) Pollution Prevention, pursuant to the following: 16
 - (1) Use cleaning products that are safer for the user, building occupants, and the environment.
 - (2) Use the least toxic pest control to reduce or eliminate use of chemical pesticides.
- 21 (3) Buy recycled paint and low VOC products, when available 22 for facility maintenance.
 - (4) Do business with other "green" vendors or services such as certified green.
- (5) Use low-emission building materials, carpets, and furniture 26 for remodeling projects.
- (6) Label all storm water drains with "No dumping, Flows to 27 28 Bay" message.
- 29 (7) Keep dumpsters covered when not in use.
 - (8) Clean private catch basins once a year, before the first rain.
- 31 (9) Help encourage commute alternatives.
- (10) Help employees rideshare. 32
- 33 (11) Offer telecommuting opportunities and/or flexible 34 schedules.
 - (a) Solid waste reduction and recycling.
- (b) Energy conservation. 36
- 37 (c) Water conservation.
- 38 (d) Pollution prevention.